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C O N F I D E N T I A L SECTION 01 OF 02 KATHMANDU 000829

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TAGS: [PGOV](#) [PREL](#) [PTER](#) [KDEM](#) [NP](#)

SUBJECT: NEPAL: PM OUTLINES PEACE PROCESS STRATEGY

Classified By: Charge d'Affaires, a.i., Jeffrey A. Moon. Reasons 1.4 (b/d).

¶1. (C) Summary: Prime Minister Madhav Kumar Nepal told Charge on September 4 his primary concerns are how to resolve whether former Maoist combatants can integrate into the Nepal Army, achieve unity among the political parties and the international community, and advance the peace process. The PM said the United States could help by sending a strong message to the Maoists to cooperate, bringing the international community together, and providing monetary assistance and expertise. Charge agreed that political consensus is crucial, and the Government of Nepal (GON) and the political parties must focus on integration and other issues for the peace process to progress. Post has doubts this could happen under M.K. Nepal's leadership. End summary.

Mean Maoists

¶2. (C) The PM, frustrated the peace process has taken so long, told Charge on September 4 he has advised the Maoist leadership that the sooner the issue of former People's Liberation Army (PLA) combatants is resolved, the better for all. He noted the Nepal Army needs the opportunity to train and should not remain confined to barracks, nor should Maoist cantonments remain open for much longer. He said closing the cantonments will not happen overnight because the combatants have been brainwashed and will need time to rehabilitate. The PM said he would listen to the Maoists' proposal at the second meeting of the reconvened Army Integration Special Committee (AISC) scheduled for September 5. (Comment: The AISC met on September 1 for the first time since the Maoists left the government in May. The group discussed completing integration and rehabilitation within six months. The meeting occurred only because the Maoists agreed to attend, and -- despite the overly optimistic deadline -- was the first positive news on integration in several months. End comment.)

¶3. (C) PM Nepal described three areas of concern regarding the Maoists: PLA combatants leaving cantonments whenever they want; misbehavior by the Young Communist League (YCL); and an old mindset that -- unless the Maoists change -- will make it difficult for them to manage their own people, especially the "militants" within the party who are resistant to democracy. M.K. Nepal stated allowing the Maoists into the government had been a mistake. He added that former combatants should

not be allowed to participate in the next national election to ensure its peacefulness. Charge asserted that bringing the Maoists into the government was the right thing to do, and their involvement in the political process is keeping them from returning to war.

#### How To Progress?

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¶4. (C) The PM declared two things are essential for peace process progress: unity among the political parties and unity among the international community. He requested the international community not give conflicting advice, naming a recent International Crisis Group report and UNMIN's apparent bias toward the Maoists as examples of unhelpful actions. He said UNMIN "closes its eyes" against PLA breaches but is quick to criticize every mistake by the GON and NA.

#### How To Integrate?

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¶5. (C) How could the PLA, a political force, assimilate into a professional national army whose own numbers should be decreased, the PM wondered. He said the best option would be no integration at all, but he realized that was unfeasible. Former combatants should receive vocational training and education to embark on their own careers. The GON could also provide lump sum payments to individual combatants. The GON could form a border security force and industrial security force -- including two years of training -- for those who want to be part of the security services. PM Nepal said the Nepal Army should be the last option and limited to a symbolic, token few: women, Madhesi, and other ethnic

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minorities. He said those integrated into the NA should be required to sever all ties to the Maoist party. Responding to Charge's skepticism as to whether the Maoists would accept these terms, the PM figured individual combatants would, but the collective organization would reject them. The GON would have to figure out how to privately communicate to the former combatants that there would be no other beneficial options for them.

#### How Can the U.S. Help?

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¶6. (C) The most important role for the United States, PM Nepal offered, is to send a strong message to the Maoists that they will have no international support if they do not change their ways. The PM also requested U.S. funding assistance, but conceded Charge's point that the UN Development Program had already committed to provide such funding. Charge also asked whether the past practice of foreign embassies in Kathmandu to issue joint statements regarding major events and issues, including peace process development, had been useful. The Prime Minister replied affirmatively. M.K. Nepal added, as an aside, that he has asked the Indian Prime Minister to "do his part." Finally, PM Nepal said, the peace process could use international experts who do not offer contradictory or unworkable ideas.

#### Comment

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¶7. (C) M.K. Nepal's open expressions of frustration with the Maoists and his unwillingness to consider integration of former Maoist combatants into the Nepal Army make it unlikely that a political consensus will develop or that there will be significant progress in the peace process under his leadership. Embassy contacts assess that the PM is a weak leader who is having difficulty maintaining unity within his coalition. Many have also speculated that his tenuous hold on leadership could end after the upcoming Nepalese holiday season.

MOON